



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and
Energy Reliability

ENERGY ASSURANCE DAILY

Friday, April 21, 2006

Electricity

158,000 Customers Lose Power in Texas April 20

Approximately 78,000 CenterPoint Energy customers and another 80,000 TXU customers were without power yesterday as major thunderstorms moved west to east across northern Texas.

<http://www.click2weather.com/weather/8877611/detail.html>

http://www.noticias-oax.com.mx/articulos.php?id_sec=14&id_art=41448&id_ejemplar=1096

http://www.mercurynews.com/mld/dfw/news/local/14395834.htm?source=rss&channel=dfw_local

SCE's New 1,054 MW Mountainview Combined Cycle Gas-fired Plant Comes Online in California April 21

Southern California Edison's new 1,054 MW Mountainview combined cycle gas-fired generating facility in Redlands, CA, came online today. It is the first new power plant built in the Los Angeles region in 30 years. Reuters, 13:00 April 21, 2006.

California ISO Approves New Transmission Projects

The operations committee of the California Independent System Operator has approved three projects that will add 700 MW to the state's electric transmission grid. The projects include new transmission lines and transformers in the Central Valley and Oakland, which are scheduled to enter service between 2007 and 2010.

Reuters, 14:41 April 20, 2006.

TXU Plans 8,600 MW of New Texas Coal-Fired Generation; Two Years Ago TXU was Closing Down 12 Plants in Texas

On April 20, TXU announced plans for an additional 6,400 MW of new coal-fired generation to go into Texas along with the 2,200 MW of new generation previously announced. The eight new plants are all expected to be 800 MW plants burning Powder River Basin low sulfur coal. Expectations of energy demand have changed drastically in Texas in the past two years. In March 2004, TXU announced it was shutting down eight power plants and mothballing four others because Texas had an over capacity of electric power generation. (See EAD of March 29, 2004: <http://www.oe.netl.doe.gov/docs/eads/ead032904.doc>).

http://www.reliabletexaspower.com/index.aspx?id=u_newspressreleases042006

MidAmerican Energy to Build 545 MW Additional Wind-powered Generation in Iowa

Phase one of the plan is a 99 MW project scheduled to be completed this year.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6582466

Petroleum

Crude Spot and Future Prices Hit New Records April 21

Oil prices peaked over \$75 per barrel while futures prices were trading over \$77 for December.

http://today.reuters.co.uk/news/newsArticle.aspx?type=businessNews&storyID=2006-04-21T200607Z_01_SP116890_RTRUKOC_0_UK-MARKETS-OIL.xml

Plantation Repairs 12-Inch Pipeline that Ruptured in Virginia Earlier in Week

The 12-inch petroleum pipeline that ruptured Monday afternoon near Fairfax Station, Virginia, was back in operation by 11:00 p.m. Wednesday according to Kinder Morgan. Some estimates put the spilled jet fuel at 30,000 gallons before the flow was stopped. The affected pipeline section can pump up to 115,000 to 120,000 barrels per day.

http://www.timesdispatch.com/servlet/Satellite?pagename=RTD/MGArticle/RTD_BasicArticle&c=MGArticle&cid=1137835501013&path=!news&s=1045855934842

Reuters, 14:57, April 20, 2006.

Bodman: U.S. Has Adequate Ethanol Stocks for Tight Fuel Market this Summer

Reuters reports that, Energy Secretary Bodman in a speech delivered on April 21 to the American Association for the Advancement of Science, said that gasoline supplies will be tight this summer as refiners phase out the fuel additive MTBE. However, the secretary indicated that ethanol supplies look to be able to meet demand in the long-term.

Reuters, 13:01 April 21, 2006.

Bloomberg 14:40 April 21, 2006.

DOE and AAA See No Cause for Alarm as Switch to Ethanol Progresses

Bloomberg reports that the Department of Energy says that the concern over supply shortages of gasoline is overblown. At the same time, the Manager of Public and Government Affairs for the American Automobile Association of the Mid-Atlantic region, reports that only a handful of reports concerning gasoline supply outages have been received by the organization. AAA of the Mid-Atlantic, sees no cause for alarm because supplies are not inadequate, rather there are some issues of getting supplies to the gas stations.

Bloomberg, 13:38 April 21, 2006.

http://www.aaamidatlantic.com/safety/release_content.asp?id=2775

Virginia Gasoline Marketers Seek Waiver to Ease Supply Concern

Reuters reports that in an effort to ease a perceived supply problem, the trade association representing gasoline jobbers in Virginia has asked Virginia officials to formally request a waiver from the Federal government that would allow them to sell a lower grade of gasoline.

Reuters 09:30 April 21, 2006.

Reuters 12:28 April 21, 2006.

EPA Will Allow More Sulfur in Transition to ULSD

Reuters reports that to ease the transition to the ultra low sulfur diesel standard, the EPA announced on April 20 that it will allow 18 parts per million (ppm) of sulfur rather than 17 ppm. EPA will allow the higher level through October 14 of 2008. The eventual standard has been set at 15 ppm.

Reuters 17:18, April 20, 2006.

Alon's 70,000 b/d Big Spring, Texas, Crude Unit Downed by T-Storm

According to a report filed with the Texas Commission for Environmental Quality, a thunderstorm, which was responsible for 158,000 power outages in Texas, also cut power to Alon USA Energy's 70,000 b/d refinery in Big Spring, forcing the company to shut the unit for almost 10 hours. The refinery started putting units back at 9 a.m. yesterday.

Reuters, 16:25 April 20, 2006.

Valero's 240,000 b/d Port Arthur, Texas, Refinery Experiences Problems

According to a report filed with the Texas Commission for Environmental Quality, a distillate accumulator drum lost a water seal at Valero's 240,000 b/d Port Arthur refinery, which resulted in the flaring of wet gas. A company spokesman has said that production has not been affected.

Reuters, 16:49 April 21, 2006.

ConocoPhillips 146,000 b/d Borger, Texas, Refinery Experiences Problems

According to a report filed with the Texas Commission on Environmental Quality, equipment malfunctioned at the 146,000 b/d ConocoPhillips refinery in Borger, Texas, on April 20, but the company has not said whether operations have been affected.

Reuters, 20:01 April 21, 2006.

Lyondell Citgo's 268,000 b/d Refinery in Houston, Texas, Running Normally

U.S. Gulf Coast traders has said previously that a 110,000 b/d gasoline-making FCC unit at the refinery had been taken out of service and would be down for over a week.

Reuters, 14:41 April 20, 2006.

Update: Oil Companies Say They Will Not Renegotiate Contracts in Ecuador

A spokesman representing foreign oil companies operating in Ecuador has said that the companies will not renegotiate contracts after the Ecuadorian Congress passed a new Hydrocarbon Reform law. The new law requires oil companies to hand over to the government any profits from oil revenues that are above benchmark prices. The government has not set a deadline for renegotiating contracts yet. Ecuador is the ninth biggest crude oil supplier to the United States, exporting 282,000 b/d in 2005.

Reuters, 18:36 April 21, 2006.

Natural Gas

Nothing to report.

Other News

Indiana Governor Attends Groundbreaking for Biofuel Plant

Governor Mitch Daniels helped break ground April 20 on an 80 million gallon per year.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6583337

Vectren to Open Two New Underground Mines in Southwestern Indiana

Vectren Fuels is in the process of opening two new underground mines near Vincennes, Indiana. The first mine will be fully operational in the next three to four years. Production at the two mines is expected to be about five million short tons per year.

<http://biz.yahoo.com/prnews/060420/clth545.html?v=5>

Workers Exposed to Radiation in Michigan

The NRC launched a special inspection at the Palisades Nuclear Plant in Michigan after six workers were exposed to about 50 millirems of radiation while working on a storage container. The container did not have any leaks; when it floated to the surface unexpectedly, this is when the workers received the exposure to the radiation.

http://www.mercurynews.com/mld/mercurynews/news/breaking_news/14389150.htm

Energy Prices

U.S. Oil and Gas Prices April 21, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	73.73	69.46	52.35
NATURAL GAS Henry Hub \$/Million Btu	7.65	6.64	6.93

Source: Reuters

Energy Notes

FERC Gives Nod to Engineering Design of Maritimes, Portland Expansion

www.intelligencepress.com

Kentucky Miner Killed After Pillar Collapses

<http://www.newsday.com/news/nationworld/wire/sns-ap-brf-miner-killed.0.4194752.story?coll=sns-ap-nationworld-headlines>

Missouri to Sue Ameren Over Collapse of Reservoir Supplying a Hydro Plant

http://seattlepi.nwsource.com/business/1310AP_Reservoir_Failure.html

California State Northridge Buys 1 Megawatt FuelCell Energy Power Plant

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6581764

Wyoming Critical in U.S. Energy Production

No. 1 in Coal, No. 3 in Gas, and No. 7 in Oil

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=6583492

500 MW Newburgh Plant in New York Wins Fight to Continue Operating on Expired Permit

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6583719

APS Completes First Solar Trough Power Plant in Arizona and the First Built in the U.S. in 17 Years, but Capacity Only 1 MW

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6584615

Bodman Will Not Ask OPEC to Increase Production at Doha

Reuters, 13:19 April 21, 2006.

UAE Oil Minister Says OPEC Will Not Increase Oil Production at Doha

Reuters 10:48, April 21, 2006.

Iraq Ready to Negotiate Oil Field Contracts Before Investment Law Passed

Reuters, 08:37 April 21, 2006.

Iranian Forces Shell Kurdish Rebel Position in Iraq to Repel Attack

Reuters, 13:26 April 21, 2006.

Shell Yet to Set Date for Restarting 455,000 b/d Shut in Nigeria

Reuters 07:44 April 21, 2006.

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated at 10:30 AM and 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

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<http://www.oe.netl.doe.gov/ead.aspx>